

Congress of the United States

Washington, DC 20515

December 9, 2004

The Honorable Spencer Abraham
Secretary of Energy
Washington, D.C. 20585

Dear Mr. Secretary:

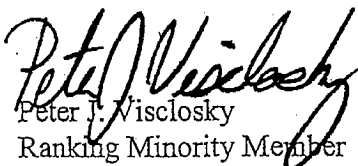
The Energy and Water Development Appropriations Act, 2005, included as Division C within the Consolidated Appropriations Act, 2005, contains a number of errors in the bill language and accompanying statement of managers as a result of the highly abbreviated conference process. Unfortunately, we will not have an opportunity to make legislative corrections for at least several months.

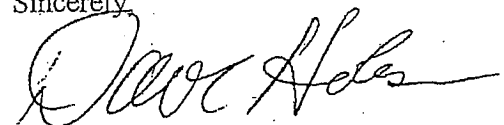
The conferees' intended results could be effectuated by the transfers of funds pursuant to the Department's existing authorities and conforming the accompanying table entries, as follows:

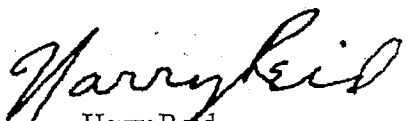
- Increase the total amount for Weapons Activities by \$156,180,000, with the additional funds to be used to restore the W80 life extension program under Directed Stockpile work to the requested amount of \$146,400,000; restore the Facilities and Infrastructure Recapitalization Program to the requested amount of \$316,224,000; and reduce the use of prior year balances from \$86,000,000 to \$12,500,000.
- Increase the total amount for Defense Nuclear Nonproliferation by \$15,000,000, with the additional funds being used to eliminate the \$15,000,000 of prior year balances.
- Decrease the total amount for Defense Site Acceleration Completion by \$171,180,000; eliminate the erroneous table entry of \$249,442,000 for "Alternative high level waste actions"; and reduce the use of prior year balances from \$90,000,000 to \$11,738,000.

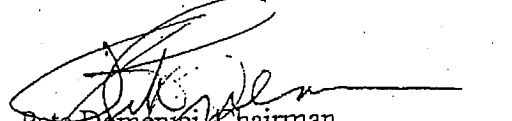
In addition, the attachment to this letter provides clarifications and corrections to the report language in the statement of managers accompanying the conference report for Energy and Water Appropriations Act, 2005.

Sincerely,


Peter J. Visclosky
Ranking Minority Member


David L. Hobson, Chairman
House Subcommittee on Energy
and Water Development Appropriations


Harry Reid
Ranking Minority Member


Pete Domenici, Chairman
Senate Subcommittee on Energy
and Water Development Appropriations

Enclosure

ENCLOSURE

Subject: Technical Corrections and Clarifications to Energy and Water Development Appropriations Act, 2005

1. The report language on page 1 of Division C of the Statement of the Managers which states that "House report 108-554 is presumed to have effect unless contradicted by this statement of the managers" is intended to apply to all titles within Division C, not just to Title I. This language is similar to language carried in previous fiscal years.
2. Uranium Enrichment Decontamination and Decommission Fund (page 107 of Division C of the Statement of the Managers) – The statement that "[T]he Conferees reiterate the fiscal year 2004 conference guidance regarding the barter arrangement" means that the Department can continue the existing barter arrangement as an interim solution during FY2005 but that we expect the Department to request funding for the Technetium-99 cleanup in the FY2006 budget request.
3. Defense Site Acceleration Completion (page 135 of Division C of the Statement of the Managers) – The explanation under Accelerated Completions, 2035, should include the following language: "The recommendation includes an additional \$3,500,000 which shall be made available to the Carlsbad community for educational support, infrastructure improvements, and related initiatives to address the impacts of accelerated operations. The Committee understands that the Carlsbad Field Office has established a joint task force with the City of Carlsbad to evaluate the needs, functions, and requirements of record center in Carlsbad. In order to provide more timely information in a useable format to citizens, researchers, stakeholders and regulators, the Committee provides an additional \$5,000,000 and directs the Department to consolidate at Carlsbad, all record archives relevant to the operations of WIPP and the TRU waste in the repository. The Committee directs the Department to utilize up to \$2,000,000 from within funds available to the Office of Environmental Management to support the important work of the Center for Excellence in Hazardous Materials. The Committee provides \$1,500,000 from available funds for neutrino research at WIPP."
4. Defense Environmental Services (page 139 of Division C of the Statement of the Managers) – The following language was moved from Non-Defense Environmental Services and should have been included in the Defense Environmental Services section: "Within available funds, the conferees provide \$12,500,000 to support a research and demonstration program to study energy-related issues associated with water resources and sustainable water supplies for energy production. The recommendation includes \$2,000,000 to initiate planning and creation of water-for energy technology roadmap; \$3,500,000 for water technical assistance; \$3,000,000 to continue the arsenic removal research in conjunction with the American Water Works Association Research Foundation as begun in fiscal year 2003; and \$4,000,000 in support of desalination research consistent with the desalination and the Water Purification Technology Roadmap in partnership with the Bureau of Reclamation. To further the arsenic removal research and reduce administrative costs, the Department is directed to follow the contracting procedures implemented in fiscal year 2004 rather than the approach used in

2003, such that each of the three participants received funds directly from the Department. The conferees provide \$500,000 for a report to Congress on the interdependency of energy and water focusing on threat to national energy production resulting from limited water supplies, utilizing where possible the multi-laboratory Energy-Water Nexus Committee. The conferees provide \$1,500,000 to demonstrate energy savings and efficiencies using deep ocean water technology in the Northern Mariana Islands pursuant to 48 U.S.C. 1492(g). The conferees also provide \$4,000,000 to fund a demonstration of a stand-alone Stirling engine that will run on any fuel."

5. Detailed DOE Tables (pages 154-168 of Division C of the Statement of the Managers) – In addition to making the changes to reconcile the transfers between the Weapons Activities, Defense Nuclear Nonproliferation, and Defense Site Acceleration Completion accounts as directed in the attached letter, the number for Nuclear Waste Disposal, Repository Program (page 158) should be reduced to \$266,000,000 to be consistent with the bill and report language.